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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced the indictment of Kim D. Beck, age 41, of Richmond, Virginia. On September 20, 2005, a federal grand jury in Richmond returned a 19-count Indictment against Beck, charging her with one count of Conspiracy to Commit Health Care Fraud, seven counts of Health Care Fraud, seven counts of Mail Fraud, one count of Obstruction of Federal Audit, and two counts of Defrauding a Federal Program. On Counts One through Eight, Beck faces a maximum of ten years' imprisonment and a \$250,000 fine; on Counts Nine through Fifteen, Beck faces a maximum of twenty years' imprisonment and a \$250,000 fine; on Count Sixteen, Beck faces a maximum of five years' imprisonment and a \$250,000 fine; on Counts Seventeen and Nineteen, Beck faces a maximum of ten years' imprisonment and a \$250,000 fine; on Count Eighteen, Beck faces a maximum of five years' imprisonment and a \$250,000 fine.

The indictment alleges that beginning on or about July 15, 2002, and continuing through October 27, 2004, Beck participated in a conspiracy to defraud the Medicaid program of over \$1.3 million. Specifically, it is charged that Beck participated in the provision and billing of fraudulent claims to Medicaid for Intensive In-Home Services provided by the employees of Youth and Family Advocates (YFA), a provider of health care services to Medicaid recipients located in Richmond, Virginia. During the course of the conspiracy, Beck provided and billed Medicaid for Intensive In-home health services, while she was not a Qualified Mental Health Care Provider. It is alleged that she obtained from a diploma mill a Bachelor of Science degree from Trinity Southern University in order to establish her credentials in the health care industry. It is further alleged that, in addition to her salary, Beck received compensation in excess of \$10,000 for her fabrication of patient progress notes that were used to create false billing to Medicaid. The government also charges that Beck assisted in the obstruction of a federal audit and altered files that were sought for the auditing of Medicaid payments to YFA.

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Mr. McNulty stated: “Medicaid serves those who most need assistance to maintain their health and well-being. Those who serve as providers for Medicaid recipients must be held to account when they violate the public trust.”

In separate charges, it is alleged that Beck failed to disclose to Social Security and the Veterans Administration her re-marriage in 1995, thereby causing \$42,423 in Social Security benefit overpayments and \$100,887 in Veterans Benefits overpayments.

This matter was investigated by the Federal Bureau of Investigation, the Social Security Administration, Office of the Inspector General, the Veterans Administration, and the Virginia Attorney General’s office, Medicaid Fraud Unit. This case is being prosecuted by Assistant United States Attorney Brian Whisler and Special Assistant United States Attorney Steve Buck.

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